

EXHIBIT 3

In the Matter Of:

In Re - Pork Antitrust Litigation

BRIAN ADAMS

June 07, 2022



1

2 UNITED STATES DISTRICT COURT

3 DISTRICT OF MINNESOTA

4 Case No. 0:18-cv-01776-JRT-HB

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7 IN RE:

8 PORK ANTITRUST LITIGATION

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14 REMOTE VIDEOTAPED DEPOSITION OF

15 THE GRADY CORPORATION

16 BY BRIAN ADAMS

17

18 Tuesday, June 7, 2022

19 10:00 a.m. (CDT)

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21

22

23 Reported by:

24 Joan Ferrara, RMR, FCRR

25 Job No. 2022-846451

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2 you've got invoices dating back sometime
3 between 2009 and 2018?

4 A. Yeah, it's possible.

5 Q. Okay. At any point during the
6 course of this litigation, were you asked
7 to look through those invoices to see if
8 you had any in the time period of 2009 and
9 2018?

10 A. Yes.

11 Q. Okay. And did you look through
12 those to see if you had any?

13 A. I didn't. Kevin did. And I
14 don't remember if we did or not.

15 Q. Okay. So you know you were asked
16 to look through them, but you don't know if
17 anybody actually did?

18 A. Well, yeah, Kevin looked through
19 them, but I don't know if he found any or
20 not. I never did ask him.

21 Q. Got it.

22 So just to be clear, you know,
23 you were asked to look through them, you
24 also know Kevin, the co-owner that we've
25 previously discussed, did look through

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2 them --

3 A. Yes.

4 Q. -- to see if there were any
5 invoices between 2009 and 2018, is that
6 right?

7 A. Yes.

8 Q. Okay. And asked by your
9 attorneys, is that right?

10 A. Yes.

11 Q. Okay. And if Kevin would have
12 found any between 2009 and 2018, is it your
13 understanding he would have handed those
14 over to your attorneys?

15 A. Yes.

16 Q. Okay. Is there any other record
17 of pork purchases you would have beyond
18 just the invoices that we were just kind
19 of -- that we were just discussing?

20 A. No.

21 Q. You mentioned that during the
22 time period of 2009 and 2018 Ben E. Keith
23 Food Distribution would have been the only
24 pork vendor that you used except for
25 emergencies when you may have gone to Sam's

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2 Club.

3 Did I hear that right?

4 A. Correct.

5 Q. Okay. Can you explain to me, you
6 know, when and why you would have gone to
7 Sam's Club as opposed to buying pork from
8 Ben E. Keith?

9 A. Yeah. I mean, if we just got an
10 order like, say, on a Friday afternoon that
11 somebody wanted for Monday and we didn't
12 have enough pork butts and we couldn't get
13 another delivery from Ben E. Keith until
14 Monday, you know, the butts have to cook
15 overnight on Sunday night, so we'd have to
16 run to Sam's just to pick up enough just so
17 we'd have enough to get through that day.

18 Q. Okay. Would this be primarily in
19 relation to your catering business?

20 A. Yes.

21 Q. Okay. Would you ever have to go
22 to Sam's Club to buy pork products for your
23 restaurant business, just the brick and
24 mortar business?

25 A. Oh, yes, we've had to on a

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2 handful of occasions, but not very often.

3 Q. So for the catering business, you
4 could get a call asking for a catered
5 product that you don't have on hand from
6 Ben E. Keith and there's not enough time to
7 order it, so that's an instance where you
8 would go to Sam's Club. Am I understanding
9 that right?

10 A. Yes.

11 Q. Can you describe for me the
12 instance or instances in which you'd have
13 to go to Sam's Club for the restaurant
14 business?

15 A. Well, sometimes Ben E. Keith
16 might be short on pork butts and, you know,
17 won't have any for a day or two and then we
18 have to go supplement from Sam's.

19 Q. Okay.

20 A. Or if we got just a whole lot
21 busier at the restaurant, you know, than we
22 were anticipating and sold more than what
23 we thought we were going to sell, we might
24 have to run over there every now and then,
25 but it doesn't happen very often.

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2 just from their Little Rock Distribution
3 Center. You know, they've got other
4 distribution centers that I have absolutely
5 no idea what they stock at those.

6 Q. Okay. I guess what I'm trying to
7 understand is, you know, they carry and
8 offer you Seaboard pork products primarily
9 because that's what you prefer, not because
10 that's what they generally just do and you
11 accept?

12 A. Correct.

13 Q. Okay. So if your preferences
14 changed or you wanted to try out a
15 different pork packer, they would stop
16 buying as much from Seaboard and start
17 buying from someone else it sounds like?

18 A. Yes.

19 Q. Okay. What about promotions on
20 pork products such as discounts or rebates,
21 is that something that factors into your
22 decision as to whether you use a particular
23 pork vendor?

24 MR. BOZEMAN: Object to the form.

25 A. No. There's not ever any

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2 promotions on pork unfortunately, at least
3 none that I'm aware of.

4 Q. Okay. Are there any type of
5 discounts that you're aware of on pork, you
6 know, volume-based discounts or anything
7 else you can think of?

8 A. Yeah. Not that I'm aware. I
9 mean, Ben E. Keith might be getting a
10 volume-based discount. I'm not.

11 Q. Okay. Is that because of the
12 size of your restaurant just being a single
13 location entity?

14 A. Yeah, yeah.

15 MR. BOZEMAN: Object to form.

16 A. Yes.

17 Q. You buy primarily fresh pork
18 products or frozen pork products?

19 A. The pork butts are fresh and the
20 ribs are frozen.

21 Q. Have you ever negotiated any
22 discounts or other price reductions for
23 pork products for Grady Corporation from
24 Ben E. Keith Food Service Distributor?

25 A. No.

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2 Q. When you're doing -- when you're
3 looking in your annual rib price, are you
4 getting any volume discount because you're
5 committing upfront to a certain amount of
6 annual purchase?

7 MR. BOZEMAN: Object to the form.

8 A. I'm assuming I am.

9 Q. Okay.

10 A. But I don't know what other
11 customers are paying for their ribs.

12 Q. Got it. So on the rib contract,
13 for example, is there anything in that
14 contract that says you're getting X
15 percentage discount because you're
16 committing to, you know, 1,500 cases a
17 year? That's a hypothetical, but I'm just
18 trying to understand, are you getting any
19 kind of price reduction upfront because of
20 that or are you just getting price
21 certainty throughout the year?

22 MR. BOZEMAN: Object to the form.

23 A. You know, we're just getting a
24 price so that we know we can lock the price
25 in for the year to know how to set our